

DEPARTMENT OF MANAGEMENT AND BUDGET

# FEASIBILITY STUDY USE OF DRIVER RECORD INFORMATION

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PREPARED FOR  
SENATE APPROPRIATIONS SUBCOMMITTEE ON  
GENERAL GOVERNMENT  
HOUSE APPROPRIATIONS SUBCOMMITTEE ON  
GENERAL GOVERNMENT  
SENATE FISCAL AGENCY  
HOUSE FISCAL AGENCY

AS REQUIRED UNDER  
PUBLIC ACT 146 OF 2005, SECTION 715(4)

Agency Services  
Vehicle and Travel Services  
March 10, 2006

# Feasibility Study Use of Driver Record Information

## Introduction

The state legislature, through the 2004 General Government Appropriations Act, Public Act 327 Section 715 (5), requested the Department of Management and Budget (DMB) determine the feasibility of using driver record information upon the issuance of state cars to state employees in order to ensure responsibility and safety.<sup>1</sup> This requirement continued in the 2005 General Government Appropriation Act, Public Act 146 of 2005, Section 715(4). The information below has been updated based on a year's experience examining driver record information.

## Approach

- In FY2004, a questionnaire was created and sent to state agencies to determine if driver records were being checked in state departments.
- DMB gathered statewide information related to motor vehicle accidents for two fiscal years.
- DMB collected driver license information on approximately 1,000 state employees involved in an accident during 2003 and 2004 in order to analyze their driver records.
- DMB staff met with Risk Management, Safety and Health, Office of the State Employer, and the Department of State to obtain an understanding of the issue and identify any related concerns.

## Findings

### *Accident Information 2003 - 2004<sup>2</sup>*

Analysis of 2003-2004 statewide accident experience showed that the state had:

- An 18.68% statewide accident rate including State Police.
- The Michigan State Police (MSP) represented 32% of the total number of accidents, including the most costly accidents.
- 44% of the accidents were reported as unavoidable. Unavoidable accidents include vehicle hit while parked, act of nature, vandalism, theft of equipment or total theft, object from another vehicle, vehicle hit animal, glass or fire.

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<sup>1</sup> Section 715 (5) of the 2004 General Government Appropriation Act

<sup>2</sup> State of Michigan accident data between 09-01-2003 and 08-01-2004. Source: Wheels, Inc.

- The road conditions were extreme in 25% of the accidents.
- An overall direct cost of \$1,560 per accident.

#### *Accident Information update FY 2005<sup>3</sup>*

Analysis of statewide accident experience shows that the state currently has:

- A 19.24% statewide accident rate including State Police.
- The Michigan State Police (MSP) represents 32% of the total number of accidents, including the most costly accidents.
- 37% of the accidents were reported as unavoidable. Unavoidable accidents include vehicle hit while parked, act of nature, vandalism, theft of equipment or total theft, object from another vehicle, vehicle hit animal, glass or fire.
- The road conditions were extreme in 18% of the accidents.
- An overall direct cost of \$1,572 per accident.

Wheels, Inc., the state's current fleet management services provider, and other vendors have indicated the State of Michigan's accident experience compares favorably to other organizations including state and local units governments.

#### *Checking Driver License Records of Employees Involved in Accidents<sup>4</sup>*

DMB was unable to check driver license information for all employees who had an accident during 2003 and 2004, because this information was not a required field. The results of the 1,000 driver licenses DMB was able to check showed that approximately 99% of the state employees' driver records were clear of violations. According to fleet management organizations and safety providers, the average of total employees found to have some type of driving violation history in the industry is around 20% of the total number of employees.

In 2005, as a result of this report, VTS conducted a post-audit of employees involved in accidents to check driver records for violations. For FY 2005, 980 licenses were checked for drivers involved in accidents.<sup>5</sup> Two drivers were identified as having revoked licenses. This information was then provided to departments for their use in employee counseling/discipline. Departments immediately took action to prohibit use of a vehicle for any purpose for State of Michigan business.

#### *State Motor Vehicle Driver Agreement<sup>6</sup>*

The state has always required employees, volunteers and contractors who drive state-owned vehicles and personal vehicles driven on state business, to hold a

<sup>3</sup> State of Michigan accident data between 10-01-2004 and 09-30-2005. Source: Wheels, Inc

<sup>4</sup> Driver license checks for 2003-2004

<sup>5</sup> State of Michigan accident data with driver's license recorded, 10/01/2004 to 09/30/2005. Source: Wheels, Inc.

<sup>6</sup> State Motor Vehicle Driver Agreement (Form VTS-63).

valid driver's license.<sup>7</sup> In March 2004, as a complement to the Administrative Guide to State Government, the state created a State Motor Vehicle Driver Agreement that was signed by all state employees who operate state vehicles. The agreement defined the following driver responsibilities and safety concepts:

- Must possess a valid driver license.
- Have vehicle preventive maintenance performed when applicable.
- Identify and report accidents and vehicle damages.
- Obey traffic rules.
- Wear seat belts.
- No smoking or drinking alcohol beverages or under the influence of any drug.
- Take care of equipment and conduct in a professional and safe manner at all times while operating a state motor vehicle.

In case of non-compliance with the driver agreement, state agencies use a model of feedback, training, and disciplinary action to correct and increase responsibility and safety among their employees when driving state vehicles.

#### *State Driver Agreement FY 2005 update*

Driver agreements continue to be signed by new employees and are included in new employee orientation checklists for departments.

#### *CDL Program*

The state has a total of 1,265 state employees with a commercial drivers license status (CDL's). An analysis shows departments are currently following federal and state regulations and procedures related to this group of drivers and will continue to do so. Driver records are being checked as part of CDL requirements.

#### *CDL Program: FY 2005 update*

The CDL program continues to be managed by the departments.

#### *Motor Pools*

DMB-VTS checks driver license records on state employees reserving a state vehicle in the Lansing Motor Pools upon the issuance of state vehicles. This is not practiced for the Motor Pools in Traverse City, Detroit or Escanaba since these pools are not staffed.

#### *Motor Pools: FY 2005 update*

All Lansing motor pool reservations have drivers' license checks performed on them. No instances of revocations have been identified.

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<sup>7</sup> Administrative Guide to State Government Procedures 0410.02 and 0410.04

### *Department Practices*<sup>8</sup>

In 2004, the results of the DMB questionnaire of state departments provided the following information on departmental practices. This information has been updated for 2005 where applicable.

#### ALL DEPARTMENTS

All departments required drivers to sign driver agreements and agreed to require all new employees to sign driver agreements as part of new employee orientation activities.

#### DEPARTMENT OF LABOR AND ECONOMIC GROWTH

The Department of Labor and Economic Growth audits driver license records on all its employees and new hires that drive state vehicles.

*FY 2005 Update* – The Department of Labor and Economic Growth continues to audit driver license records on all of its employees and new hires who drive state vehicles.

#### DEPARTMENT OF HUMAN SERVICES

The Department of Human Services (DHS) audits volunteers' driving records when they first enlist as a volunteer, but there is no requirement for periodic checks thereafter and they are not performed after the initial check. Internal policy currently states that all DHS employees are subject to random driver record checks, and allows for a driver record check when deemed appropriate.

Child Protective Services (CPS) workers' records are checked at the time of hire. There is no directive to conduct routine checks, although at least one DHS county office conducts quarterly checks of all employees, per their own internal policy. DHS has agreed to change its administrative processes to require routine checking of drivers' license records for CPS workers.

*FY2005 Update* – DHS reports it is a requirement for a DHS employee who makes home calls and/or transports DHS customers to have a valid driver's license. DHS has instructed its local offices to do periodic driver's license reviews, at least once a year, with the Department of State for all employee and volunteers who normally operate state vehicles or transport DHS clients in their personal vehicle. Checks are encouraged, not only for a valid license, but also any condition that might impact their ability to perform their jobs or transport clients. The DHS Personnel Office does a Criminal History check on staff on a regular basis. This check will show any major problems with a driving record.

#### DEPARTMENT OF STATE POLICE

The Department of State Police (MSP) law enforcement has security and confidentiality concerns regarding sharing drivers' license information with third

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<sup>8</sup> Questionnaire sent to state agencies / Summary of Responses.

parties. However, this department currently has a committee that directly deals with accident prevention and safety.

*FY 2005 Update* - The department continues to monitor its activities.

### Recommendations

Based on the results of our analysis, DMB is recommending the following approach:

- Continue requiring Driver Agreements to be signed upon hire.
- Continue practice of checking CDL licenses where mandated.
- Require fleet management vendor to capture driver license information for all drivers involved in business accidents except MSP law enforcement personnel.
- Conduct post-audit of employees involved in accidents to check records and refer to departments for training or disciplinary action. Register those employees involved in accidents with the Department of State's driver record database for updates on additional driver violations once an accident has occurred. Provide this information to departments for their use in employee counseling and/or vehicle assignment.

### Conclusion

Given the results of three years of accident analysis, the routine checking of all drivers' license records does not appear to be warranted. A targeted approach should continue to be implemented to include driver license checks for state employees exposed to greater liabilities or where post audit suggests driver responsibility is a concern.